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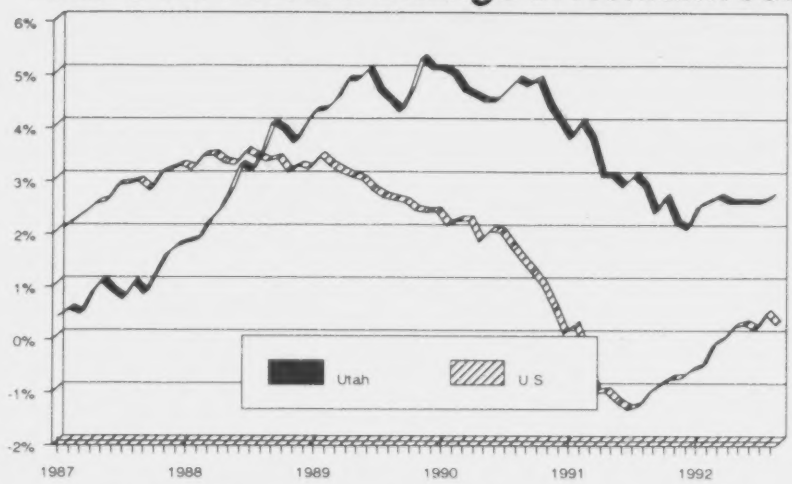
Utah Labor Market Report

August 1992
Volume 2, No. 7

Year-Over Percent Change in Nonfarm Jobs



Source: Utah Department of Employment Security, Labor Market Information Services

Utah's strong economy causes unemployment to rise?

Despite continuing job growth and no major layoffs, Utah's unemployment rate took an unexpected jump in August.

Why the rise in unemployment?

What paradox is at work?

Unemployment in the State increased three-tenths of a percentage point from the July figure of 4.7 percent to 5.0 percent in August.

As in 1991, it's those entrants pushing up Utah joblessness. Given the strength of job growth and anecdotal evidence, we are concluding that the majority of these new entrants have moved here from other states. Ironically, Utah's relatively strong economy seems to be at the root of the current swell in joblessness. Workers in depressed areas of the country are seeing Utah as an employment mecca. It takes a while for these newly arrived unemployed workers to be absorbed into the work force—pushing our unemployment rate up. It's just a natural economic process for people to move out of areas of recession to more prosperous regions.

The State's unemployment rate still falls 2.6 percentage points below the U.S. average. And, Utah's jobless rate still registers lower than the comparable 5.2 percent for August 1991. Roughly 40,500 Utahns were out of work, 1,600 fewer than in August 1991.

If 'sure and steady' wins the race, Utah should take ribbons in the job growth contest. Nonfarm job expansion keeps edging closer and closer to the 3 percent mark in the Beehive state. Utah has added 20,000 net new nonagricultural jobs to its payrolls since August 1991—a 2.7 percent gain. Even more promising is the news that final figures for job growth for the first quarter of

Continued on page 2

Inside

Economic Events 6
County Highlights 7
Emery County 11
Cost of Living 15

THE RATE *(Seasonally Adjusted)*

Aug 1992	Utah	5.0%	U.S.	7.6%
Jul 1992	Utah	4.7%	U.S.	7.7%
Aug 1991	Utah	5.2%	U.S.	6.8%

NONFARM JOBS *(% change from a year ago)*

Aug 1992	Utah	2.7%	U.S.	0.02%

CPI-U *(Base Year 1982-84 = 100)*

Jul 1992	U.S.	140.5	Yr-over chng	3.2%

PPI *(Base Year 1982 = 100)*

Jul 1992	U.S.	117.8	Yr-over chng	1.5%

1992 registered higher than initially estimated. And keep in mind that job growth is usually a better indicator of economic health than is the jobless rate. Of Utah's major industries, only mining and manufacturing employment are down from a year ago.

Finance/insurance/real estate wins top marks in the growth category with a 4.4 percent rate (1,600 positions). However, services and construction follow only a step behind with expansion of roughly 4 percent. Finance/insurance/real estate continues to benefit from hires in the last 12 months at the relatively new financial service centers, while construction (with 1,400 new jobs) continues to expand in both nonresidential and residential building arenas. And, services (with 7,700 new positions) profits from 6 percent plus growth in computer software, medical, and engineering/management services.

Manufacturing employment has declined a mere 100 jobs since August 1991. The effects of the national recession and defense cuts are working their way through the manufacturing sector. Increases in total manufacturing employment could be evident when September's figures are available. In fact, nondurable manufacturing employment is up a substantial 1,000 jobs from a year ago. The main drain on the manufacturing sector comes in defense-related transportation equipment production where 1,900 jobs have been lost.

Trade managed at moderate 3 percent job increase since August 1991— 5,500 new jobs. However, wholesale trade is up less than 2 percent and auto dealers/gas stations actually lost jobs.

The public sector has added 3,500 jobs since August 1991, with state and local government contributing most of the increased employment. Federal defense layoffs are making their way through the system—this sector registers a 3 percent decrease over the past twelve months.

The transportation/communications/utilities industry muddled through with a growth rate of less than 2 percent (700 jobs). The only sector showing strong improvement was communications with a 4.5 percent year-to-year increase.

Utah's mining industry continued to struggle in August. Coal mining jobs are down 9 percent from a year ago, and oil/gas extraction jobs are down 3 percent for a total loss of 300 positions.

Although the nation remains mired in a sluggish recovery, Utah should continue to see improved economic performance. Perhaps our primary fear should be that the State's strong employment climate will attract too many out-of-state workers ❐

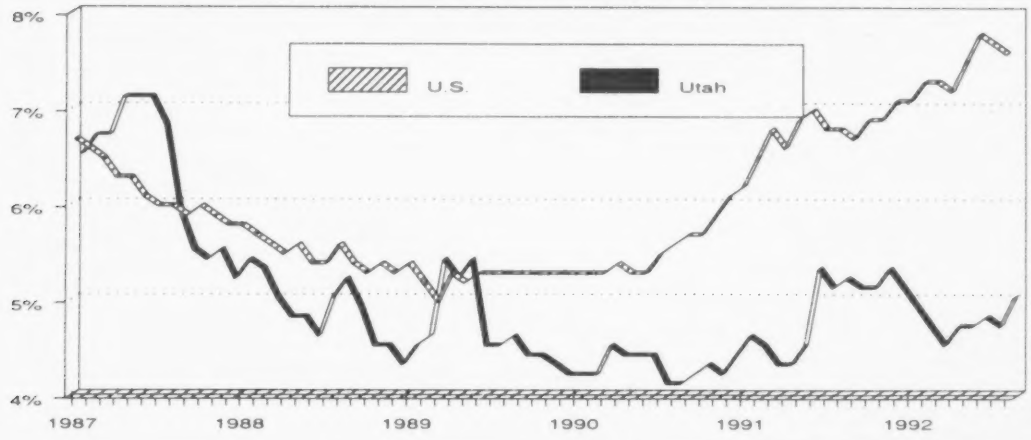
Lecia Langston
Chief Economist

■ ***Utah's unemployment increased to 5.0 percent.***

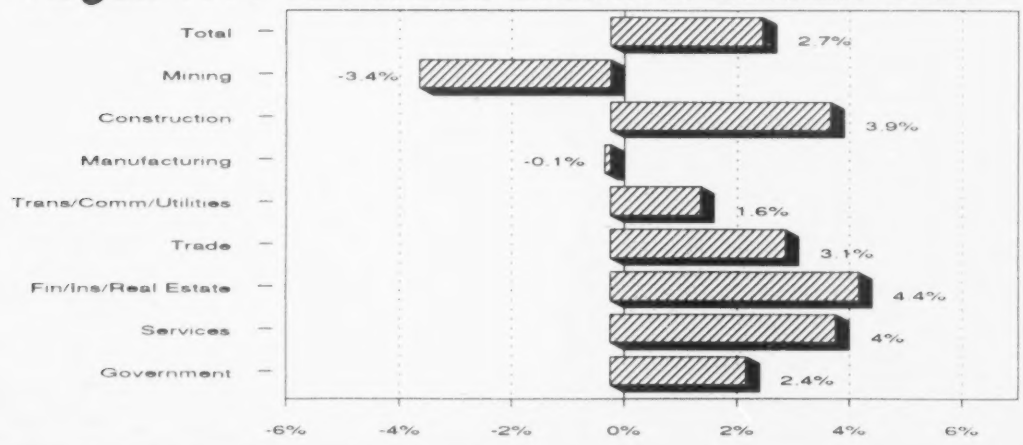
■ ***Total manufacturing employment is down only 100 jobs from a year ago, and next month could show actual expansion.***

■ ***Inmigration of jobless workers pushed the jobless rate up.***

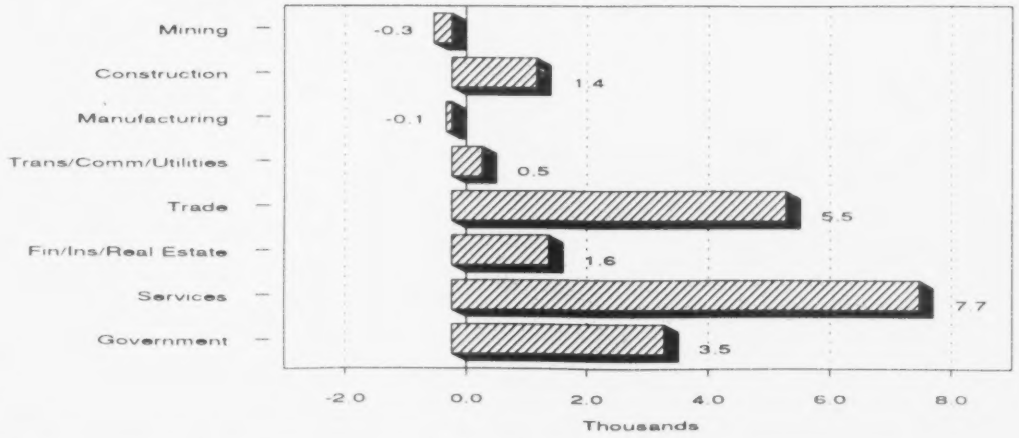
Seasonally Adjusted Unemployment Rates



August 1991-92 Percent Growth in Nonfarm Jobs



August 1991-92 Nonfarm Job Growth



Source: U. S. Department of Labor, Bureau of Labor Statistics, and Utah Department of Employment Security, Labor Market Information Services

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Table 1. Utah Civilian Labor Force and Nonagricultural Jobs, Not Seasonally Adjusted *(Numbers In Thousands)*

	Aug 1992(f)	Aug 1991	Percent Change	Jul 1992(p)	Jun 1992(r)
CIVILIAN LABOR FORCE	**817.8**	**817.8**	**0.0**	**823.6**	**822.7**
Employed	**776.6**	**775.4**	**0.2**	**785.1**	**781.7**
Unemployed	**41.2**	**42.4**	**-2.8**	**38.5**	**41.0**
Percent of Labor Force	5.0	5.2	—	4.7	5.0
NONAGRICULTURAL JOBS	**765.7**	**745.7**	**2.7**	**759.4**	**769.9**
Mining	**8.4**	**8.7**	**-3.4**	**8.3**	**8.4**
Metal Mining	3.0	3.0	0.0	3.0	3.0
Bituminous Coal Mining	2.0	2.2	-9.1	2.0	2.1
Oil/Gas Extraction & Quarrying*	3.4	3.5	-2.9	3.3	3.3
Contract Construction	**37.3**	**35.9**	**3.9**	**36.1**	**35.3**
Manufacturing	**105.3**	**105.4**	**-0.1**	**104.8**	**104.8**
Durable Goods	68.8	69.9	-1.6	68.6	68.6
Primary Metals	*5.8*	*5.9*	*-1.7*	*5.8*	*5.8*
Fabricated Metals, Machinery, & Computers	*14.3*	*14.1*	*1.4*	*14.2*	*14.2*
Electrical/Electric Equipment (ex. Computers)	*9.3*	*9.8*	*-5.1*	*9.3*	*9.3*
Transportation Equipment	*15.2*	*17.1*	*-11.1*	*15.4*	*15.4*
*Lumber/Furniture,Stone/Clay/Glass**	*10.5*	*10.5*	*0.0*	*10.4T10.4*	
*Other Durable Goods**	*13.7*	*12.5*	*9.6*	*13.5*	*13.5*
Nondurable Goods	36.5	35.5	2.8	36.2	36.2
Food & Related Products	*12.3*	*11.7*	*5.1*	*12.2*	*12.3*
*Other Nondurable Goods**	*24.2*	*23.8*	*1.7*	*24.0*	*23.9*
Transportation, Communications, & Utilities	**43.6**	**42.9**	**1.6**	**43.4**	**43.5**
Railroad Transportation	2.5	2.5	0.0	2.5	2.5
Trucking & Warehousing	16.0	15.6	2.6	15.9	15.9
Transportation by Air*	7.2	7.1	1.4	7.2	7.2
Other Transportation & Related Services*	3.3	3.2	3.1	3.2	3.3
Communications	7.0	6.7	4.5	7.0	7.0
Electric, Gas, & Sanitary Services	7.6	7.8	-2.6	7.6	7.6
Trade	**185.6**	**180.1**	**3.1**	**183.6**	**185.0**
Wholesale Trade	42.3	41.6	1.7	42.2	42.1
*Durable Goods**	*24.8*	*24.7*	*0.4*	*24.7*	*24.7*
*Nondurable Goods**	*17.5*	*16.9*	*3.6*	*17.5*	*17.4*
Retail Trade	143.3	138.5	3.5	141.4	142.9
Food Stores	*25.6*	*24.3*	*5.3*	*25.4*	*25.4*
Auto Dealers/Parts Stores, & Gas Stations	*15.8*	*16.3*	*-3.1*	*15.6*	*15.6*
Eating & Drinking Places	*47.3*	*46.0*	*2.8*	*46.5*	*47.5*
*Home Furniture/Equipment & Clothing Stores**	*13.2*	*12.5*	*5.6*	*13.0*	*13.2*
*Gen. Merchandise/Building & Garden Supply**	*24.1*	*22.3*	*8.1*	*23.9*	*24.0*
Miscellaneous Retail	*17.3*	*17.1*	*1.2*	*17.0*	*17.2*
Finance, Insurance, & Real Estate	**38.1**	**36.5**	**4.4**	**37.9**	**38.0**
Depository Institutions*	13.6	13.4	1.5	13.6	13.7
Other Finance/Insurance/Real Estate*	24.5	23.1	6.1	24.3	24.3
Services	**198.8**	**191.1**	**4.0**	**196.4**	**195.6**
Hotels & Lodging Places	13.2	13.1	0.8	12.9	12.7
Personal, Amusement & Recreational*	20.0	19.2	4.2	19.7	20.0
Computer-Related*	9.9	9.2	7.6	9.9	10.0
Other Business Services*	33.6	32.5	3.4	33.0	32.4
Auto Repair/Rental/Parking*	6.8	6.8	0.0	6.7	6.8
Health	52.1	48.9	6.5	51.3	50.9
Education/Social & Membership Organizations*	35.7	35.2	1.4	35.4	35.2
Legal & Miscellaneous Services	5.5	5.4	1.9	5.5	5.5
Engineering, Accounting, & Related*	16.1	15.0	7.3	16.0	16.1
Other Repair/Ag. Services & Museums, etc.*	5.9	5.8	1.7	6.0	6.0
Government	**148.6**	**145.1**	**2.4**	**148.9**	**159.3**
Federal Government	38.9	38.8	0.3	39.4	39.6
*U.S. Defense**	*18.8*	*19.4*	*-3.1*	*18.9*	*18.9*
*Other Federal**	*20.1*	*19.4*	*3.6*	*20.5*	*20.7*
State Government	44.1	42.1	3.8	44.2	45.2
*State Education**	*22.8*	*21.8*	*4.6*	*23.0*	*24.0*
*Other State**	*21.3*	*20.3*	*4.9*	*21.2*	*21.2*
Local Government	65.6	64.2	2.2	65.3	74.5
Local Education	*36.1*	*35.8*	*0.8*	*35.9*	*46.0*
*Other Local**	*29.5*	*28.4*	*3.9*	*29.4*	*28.5*

Source: Utah Department of Employment Security, Labor Market Information Services. Prepared in conjunction with the U.S. Department of Labor, Bureau of Labor Statistics (BLS). NOTE: Forecast data and cells marked by an asterisk (*) are not sanctioned by BLS. Some figures are not strictly comparable due to reclassification.

ADJUSTED

Table 2. Utah Civilian Labor Force and Nonagricultural Jobs Seasonally Adjusted *(Numbers in Thousands)*

	Aug 1992(f)	Aug 1991	Percent Change	Jul 1992(p)	Jun 1992(r)
CIVILIAN LABOR FORCE	**807.2**	**806.8**	**0.0**	**816.6**	**818.2**
Employed	**766.7**	**764.7**	**0.3**	**778.1**	**778.6**
Unemployed	**40.5**	**42.1**	**-3.8**	**38.5**	**39.6**
Percent of Labor Force	5.0	5.2	--	4.7	4.8
NONAGRICULTURAL JOBS	**768.5**	**748.4**	**2.7**	**766.3**	**762.2**
Mining	**8.3**	**8.6**	**-3.4**	**8.2**	**8.4**
Contract Construction	**33.6**	**32.3**	**3.9**	**33.4**	**32.9**
Manufacturing	**104.5**	**104.6**	**-0.1**	**104.6**	**104.1**
Durable Goods	68.2	69.3	-1.6	68.4	68.1
Nondurable Goods	36.3	35.3	2.8	36.2	35.9
Trans., Comm., Public Utilities	**43.3**	**42.6**	**1.6**	**43.2**	**43.3**
Trade	**184.3**	**178.8**	**3.1**	**184.0**	**183.4**
Wholesale	41.8	41.1	1.7	41.7	41.8
Retail	142.5	137.7	3.5	142.3	141.6
Finance, Insurance & Real Estate	**37.7**	**36.1**	**4.4**	**37.7**	**37.9**
Services	**198.1**	**190.4**	**4.0**	**197.1**	**194.9**
Government	**158.7**	**154.9**	**2.4**	**158.0**	**157.4**
Federal Government	38.6	38.5	0.3	38.9	38.6
State Government	46.6	44.5	4.8	46.4	45.7
Local Government	73.5	71.9	2.2	72.7	73.1

Source: Utah Department of Employment Security, Labor Market Information Services.

HOURS AND EARNINGS

Table 3. Hours and Earnings of Production Workers in Utah

	Average Hourly Earnings				Average Weekly Hours			
	Jul 1992(p)	Jul 1991	% Chng	Jun 1992(r)	Jul 1992(p)	Jul 1991	% Chng	Jun 1992(r)
MINING	**$14.85**	**$14.74**	**0.7**	**$14.58**	**42.4**	**43.7**	**-3.0**	**40.6**
Metal Mining	14.07	13.72	2.6	13.87	50.3	49.6	1.4	46.4
Bituminous Coal Mining	18.83	17.22	9.3	18.48	37.9	40.7	-6.9	35.2
MANUFACTURING	**11.10**	**10.70**	**3.7**	**11.00**	**39.9**	**39.2**	**1.8**	**40.6**
Durable Goods	11.48	10.90	5.3	11.49	40.2	39.2	2.6	41.0
Primary Metals	13.93	13.78	1.1	14.38	40.1	38.4	4.4	41.1
Fabricated Metal Prod. and Mach.	10.98	10.50	4.6	10.79	39.8	39.7	0.3	41.1
Transportation Equipment	15.70	13.21	18.8	15.71	41.0	39.7	3.3	41.4
Nondurable Goods	10.37	10.29	0.8	10.31	39.2	39.1	0.3	39.9
Food and Kindred Products	9.68	9.24	4.8	9.37	39.9	40.4	-1.2	41.3
TRADE	**7.83**	**7.81**	**0.3**	**7.80**	**29.6**	**29.2**	**1.4**	**29.0**
Wholesale	10.34	10.53	-1.8	10.04	36.2	39.1	-7.4	35.5
Retail	6.95	6.75	3.0	7.03	27.8	26.6	4.5	27.3
Food Stores	7.20	6.78	6.2	7.41	26.9	26.3	2.3	26.1
General Merchandise	6.41	6.22	3.1	6.31	27.9	28.9	-3.4	27.9

Note: Average hours include hours actually worked or remunerated. Average hourly earnings include incentive and premium pay. Data may be affected by labor disputes.

Source: Utah Department of Employment Security, Labor Market Information Services. Prepared in conjunction with the U.S. Department of Labor, Bureau of Labor Statistics.

Economic Events

Please note: Information contained in Economic Events is obtained from regional newspapers, local Job Service offices, trade publications, clipping services, and local area Chamber of Commerce publications.

- In August, Hercules Aerospace was awarded part of the new $14.7 million contract for a Pegasus rocket. The announcement will help stabilize employment at the West Valley City facility, as Department of Defense cutbacks have hurt employment there in recent years. The contract calls for the rocket to be launched in the fall of 1993.
- McDonnell Douglas has awarded a $23 million aviation contract to Provo-based Avtech Systems. The contract calls for Avtech to supply crown frames for McDonnell Douglas' MD-80 and MD-90 planes. The contract is the largest awarded to a Utah firm by McDonnell Douglas since 1987.
- Parker-Hannifin, a California-based aerospace concern which has a manufacturing facility in Ogden, announced that it is considering moving its entire commercial operation to Ogden. Parker-Hannifin manufactures hydraulic flight-control gear for airplanes. It separates its operations into military and commercial production. The company plans to put all commercial production under one roof and they have chosen Ogden as the site for this consolidation. Parker-Hannifin currently employs about 250 workers in Ogden, and the move could double this work force. The move is conditional upon approval by the parent company, and a preliminary time frame has the move completed before 1995.
- The Northwest Pipeline Corporation has begun work on a $373 million system expansion. A considerable portion of this work is being done within Grand County. One of the major aspects of the project will include a new compressor station near Cisco and additional compression capability at the Moab facility. Work on the Cisco station will be done by Mountain West Fabrication.❐

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Most counties follow the State lead—

Many county rates followed the State lead with unemployment rate edging upward in August. However, a few county rates jumped more than the average, and some went against the flow and fell. Of course, small-county rates are subject to considerable month-to-month fluctuation.

Most of Utah's unemployed entrants reside in its four metropolitan counties. Salt Lake, Utah, and Davis counties all showed slight—0.2 to 0.3—unemployment rate increases. But Weber County's rate, already substantially higher than average, increased by 0.6 points to 6.8 percent. Nevertheless, Weber's year-over nonfarm job growth, at 3 percent, remained respectable.

The Central Utah district experienced an insignificant decline in its unemployment rate, but had the largest year-over job loss of any district. Three of the six counties (Piute, Sanpete, and Sevier) showed essentially no change in their unemployment rates, but Piute and Sanpete's rates remain very high. Millard County's rate jumped nearly a full point to 6.2 percent while rates in Juab and Wayne counties dropped considerably. Nonfarm job growth was uniformly mediocre throughout the district. Due to a large but brief construction project in Millard County last summer, the current nonfarm job count slipped 10 percent from year-ago levels (although manufacturing is up 20 percent).

Southeastern and Uintah Basin districts have virtually identical current labor market indicators this month. Unfortunately, with unemployment rising to over 9 percent and job losses of nearly 1 percent, these areas suffer some of the worst economic conditions in the State due to historical and ongoing energy-related employment cutbacks. Even so, tourism is boosting the economy of Grand County.

In contrast, Southwestern Utah, despite an increasing unemployment rate, is tied for the job growth lead among all districts due to Washington County's continuing rapid economic expansion and Iron County's ongoing growth. But Garfield County, with 15 percent unemployment and 4 percent net job loss, may be

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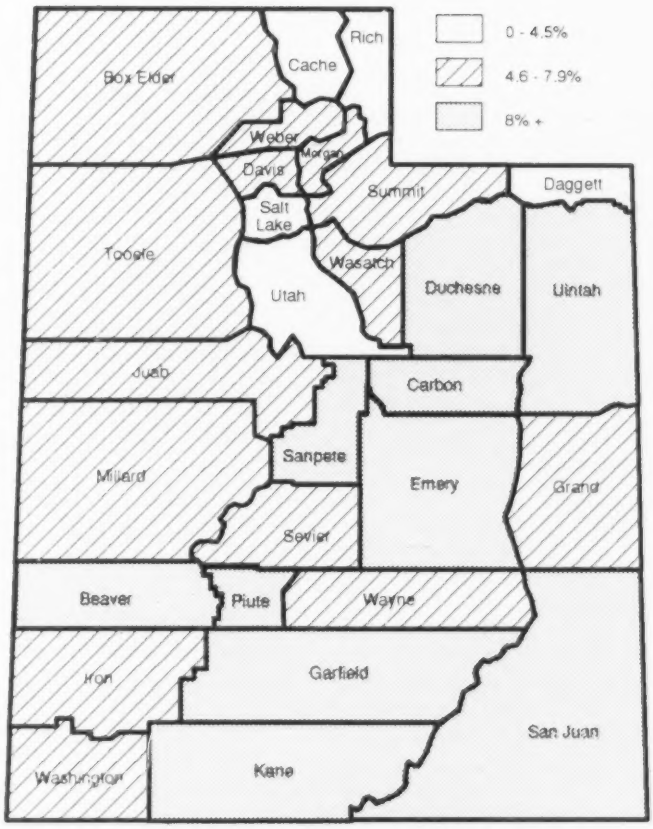


Unemployment Rates August 1992

■ ***Both the Uintah Basin and Southeastern District have unemployment over 9 percent and job losses of nearly 1 percent.***

■ ***Cache County boasts low unemployment and strong job growth.***

■ ***Most of Utah's unemployed entrants reside in its four metropolitan counties.***

Continued from page 7

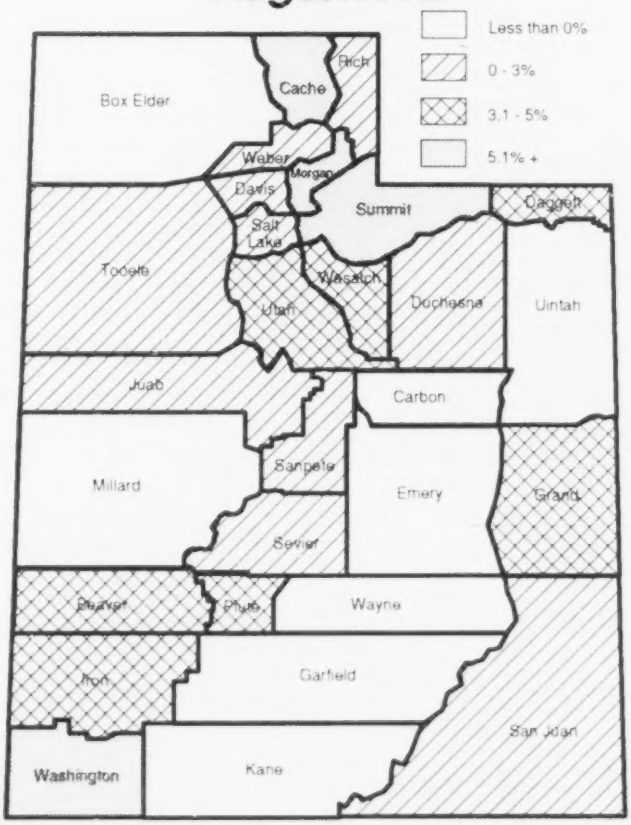
Utah's labor market with the poorest economic conditions.

Up north in the Bear River District, Cache County continues as one of the brightest spots in the State. It boasts the lowest unemployment rate of all but the smallest counties, and is among the leaders in job growth. In contrast, neighboring Box Elder County has suffered a net job loss of over 3 percent, but its jobless rate curiously remains less than the State average.

Economic conditions in other labor market areas contiguous to the metropolitan counties are generally favorable. Morgan and Summit counties' job growth rank fastest in the State, but their unemployment rates remain near the U.S. average. Tooele and Wasatch both currently experience moderate unemployment and average-or-better job growth. ❐

Kenneth E. Jensen
Labor Market Economist

Year-Over Percent Change in Nonfarm Jobs August 1992



METRO AREAS

Table 4. Civilian Labor Force and Nonfarm Jobs for SaltLake/Ogden and Provo/Orem Metropolitan Statistical Areas ***(Numbers in Thousands)***

	Salt Lake/Ogden					Provo/Orem				
	Jul 1992(f)	Jul 1991	Percent Change	Jun 1992(p)	May 1992(r)	Jul 1992(f)	Jul 1991	Percent Change	Jun 1992(p)	May 1992(r)
CIVILIAN LABOR FORCE	**524.9**	**530.0**	**-1.0**	**531.3**	**530.0**	**121.7**	**120.4**	**1.1**	**121.9**	**120.8**
Employed	499.1	502.8	-0.7	517.1	522.9	120.4	114.9	1.4	116.9	115.3
Unemployed	25.8	27.2	-5.1	24.2	25.3	5.2	5.5	-5.5	5.0	5.5
Rate	4.9	5.1	——	4.6	4.8	4.3	4.6	——	4.1	4.5
TOTAL NONFARM JOBS	**520.9**	**508.3**	**2.5**	**517.3**	**522.9**	**102.4**	**98.3**	**4.2**	**100.1**	**100.9**
Mining	3.4	3.0	13.3	3.3	3.2	.1	.1	0.0	.1	.1
Construction	24.1	24.1	0.0	23.2	22.5	5.8	4.9	18.4	5.5	5.3
Manufacturing	68.3	68.0	0.4	68.0	68.0	13.6	14.0	-2.9	13.4	13.4
Durable	45.8	46.6	-1.7	45.7	45.7	8.6	9.0	-4.4	8.5	8.5
Nondurable	22.5	21.4	5.1	22.3	22.3	5.0	5.0	0.0	4.9	4.9
Trans/Comm/Utilities	34.0	33.4	1.8	33.8	34.1	2.3	2.4	-4.2	2.3	2.2
Trade	128.7	125.6	2.5	127.2	128.3	24.1	23.1	4.3	24.0	24.2
Wholesale	34.3	33.2	3.3	33.7	33.6	4.5	5.0	-10.0	5.0	5.0
Retail	94.4	92.4	2.2	93.5	94.7	19.6	18.1	8.3	19.0	19.2
Fin/Ins/Real Estate	31.4	30.2	4.0	31.3	31.5	2.8	2.5	12.0	2.7	2.7
Service	133.3	128.6	3.7	131.9	131.5	38.8	36.8	5.4	37.9	37.8
Government	97.7	95.4	2.4	98.6	103.8	14.9	14.5	2.8	14.2	15.2

Source: Utah Department of Employment Security, Labor Market Information Services

By County

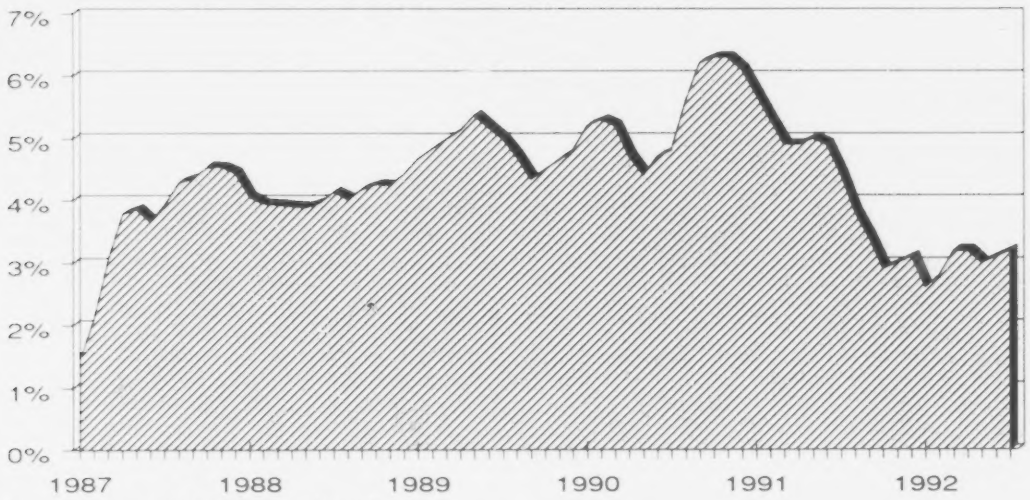
Table 5. Unemployment Rates and Nonfarm Jobs in Utah by County

	Seasonally Adjusted Unemployment Rate				Nonfarm Wage and Salary Jobs				
	Aug 1992(f)	Jul 1992(p)	Jun 1992(r)	Aug 1991	Aug 1992(f)	Aug 1991	Percent Change	Jul 1992(p)	Jun 1992(r)
STATE TOTAL	**5.0**	**4.7**	**4.8**	**5.2**	**765,700**	**745,960**	**2.7**	**759,400**	**769,900**
Bear River	**4.1**	**3.7**	**4.0**	**4.7**	**45,200**	**43,880**	**3.0**	**45,020**	**46,910**
Box Elder	4.7	4.5	4.5	5.1	14,890	15,400	-3.3	14,830	14,980
Cache	3.9	3.4	3.8	4.5	29,850	28,020	6.5	29,730	31,480
Rich	2.5	3.1	5.2	2.4	460	460	0.0	460	460
Wasatch Front	**4.9**	**4.6**	**4.7**	**5.1**	**532,480**	**519,870**	**2.4**	**528,950**	**534,740**
Wasatch Front North	**5.7**	**5.3**	**5.2**	**5.6**	**132,560**	**130,300**	**1.7**	**132,070**	**133,150**
Davis	4.7	4.4	4.4	4.9	61,960	61,760	0.3	61,860	62,340
Morgan	6.7	7.3	6.9	5.8	1,140	1,040	9.6	1,130	1,130
Weber	6.8	6.2	6.0	6.3	69,460	67,500	2.9	69,080	69,680
Wasatch Front South	**4.5**	**4.3**	**4.5**	**4.8**	**400,140**	**389,570**	**2.7**	**379,090**	**401,590**
Salt Lake	4.4	4.2	4.5	4.8	389,500	379,190	2.7	386,380	390,870
Tooele	5.8	5.3	5.1	6.0	10,640	10,380	2.5	10,710	10,720
Mountainland	**4.5**	**4.2**	**4.8**	**4.9**	**113,260**	**108,490**	**4.4**	**110,990**	**111,510**
Summit	6.6	5.6	6.0	7.4	8,210	7,600	8.0	8,000	7,850
Utah	4.3	4.0	4.6	4.6	102,240	98,190	4.1	100,160	100,850
Wasatch	6.3	6.2	7.1	7.5	2,810	2,700	4.1	2,830	2,810
Central	**7.5**	**7.7**	**7.4**	**7.5**	**15,850**	**16,140**	**-1.8**	**15,740**	**16,270**
Juab	7.0	7.8	9.2	7.2	1,990	1,960	1.5	1,980	2,010
Millard	6.2	5.3	5.0	4.0	3,510	3,890	-9.8	3,470	3,550
Piute	12.2	12.8	10.6	14.3	220	210	4.8	220	210
Sanpete	9.9	10.0	9.5	10.3	4,360	4,310	1.2	4,340	4,780
Sevier	6.3	6.2	6.3	7.9	5,130	5,110	0.4	5,090	5,100
Wayne	6.2	11.5	7.1	6.9	640	660	-3.0	640	630
Southwestern	**6.1**	**5.4**	**6.0**	**5.6**	**30,650**	**29,350**	**4.4**	**30,620**	**31,020**
Beaver	10.3	5.1	3.9	4.2	1,500	1,450	3.4	1,510	1,470
Garfield	15.5	13.5	16.6	14.7	1,800	1,870	-3.7	1,800	1,680
Iron	5.2	4.1	4.6	4.4	8,140	7,870	3.7	8,180	8,560
Kane	8.6	10.6	8.2	7.7	1,870	1,900	-0.5	1,860	1,890
Washington	5.1	4.8	5.9	5.3	17,320	16,260	6.5	17,270	17,430
Uintah Basin	**9.4**	**8.6**	**8.3**	**7.2**	**11,160**	**11,230**	**-0.6**	**11,130**	**11,830**
Daggett	2.5	1.8	2.8	3.2	480	460	4.3	510	490
Duchesne	11.3	9.4	9.7	8.8	3,870	3,790	2.1	3,900	4,070
Uintah	8.7	8.7	7.9	6.6	6,810	6,980	-2.4	6,720	7,280
Southeastern	**9.2**	**7.9**	**8.1**	**8.3**	**16,920**	**17,040**	**-0.7**	**16,750**	**17,620**
Carbon	9.4	7.2	7.8	7.7	7,220	7,360	-1.9	7,120	7,480
Emery	9.3	9.8	9.2	10.1	3,250	3,450	-5.8	3,240	3,490
Grand	7.3	6.8	7.4	7.5	3,070	2,940	4.4	3,070	3,070
San Juan	10.2	8.8	8.5	8.5	3,380	3,290	2.7	3,320	3,580
Salt Lake/Ogden MSA	**4.8**	**4.6**	**4.7**	**5.0**	**520,700**	**508,450**	**2.4**	**517,110**	**522,890**
Provo/Orem MSA	**4.3**	**4.0**	**4.6**	**4.6**	**102,240**	**98,190**	**4.1**	**100,160**	**100,850**

Source: Utah Department of Employment Security, Labor Market Information Services.

Note: Seasonally adjusted unemployment rates should not be used for federal or state funding applications.

Year-over Percent Increase in U.S. Consumer Price Index



Source: U.S. Department of Labor, Bureau of Labor Statistics

PRICES

Table 6. Current U.S. Price Indexes

	Index		% Change From	
	Jul 1992	Jul 1991	Prior Year	Prior Month
CONSUMER PRICES (1982-84=100)				
ALL ITEMS (CPI-U[1])	**140.5**	**136.2**	**3.2**	**0.2**
Food and Beverages	138.1	137.1	0.7	-0.1
Food at Home	135.7	136.0	-0.2	-0.3
Housing	138.3	134.2	3.1	0.4
Rent Residential	147.0	143.7	2.3	0.3
Fuel and Other Utilities	119.4	116.4	2.6	0.3
Medical Care	190.7	177.5	7.4	0.7
Apparel and Upkeep	129.2	125.2	3.2	-1.4
Transportation	127.2	123.4	3.1	0.2
Gasoline	102.9	98.2	4.8	-0.1
Energy[3]	106.0	102.7	3.2	0.1
PURCHASING POWER OF CONSUMER DOLLAR: (1982-84 = $1.00)	**$0.712**	**$0.734**	**-3.0**	**-0.1**
ALL ITEMS (CPI-W[2])	**138.4**	**134.3**	**3.1**	**0.2**
PRODUCER PRICES (1982 = 100)				
ALL COMMODITIES	**117.8**	**116.1**	**1.5**	**0.0**
Finished Goods	123.7	121.6	1.7	0.0
Intermediate Materials	115.3	114.0	1.1	0.0
Crude Materials	101.3	99.5	1.8	-0.2

1 Consumer Price Index—All Urban Consumers.

2 Consumer Price Index—Urban Wage Earners and Clerical Workers.

3 Energy is a special group index consisting of prices paid for the following: fuel oil, coal, bottled gas, electricity, gasoline, and motor oil and coolant. It is not one of the components of the "All Items" as its sub-components are already included.

Source: U.S. Department of Labor, Bureau of Labor Statisitcs.

Emery County—An Inside Look

Population

Emery County was one of only six counties in the State which experienced population declines during the 1980s. The 1980 census recorded Emery County's population at 11,451. By the 1990 census, the population had declined to 10,332, almost a 10 percent decline. This reduced the County's population density from 2.6 people per square mile in 1980 to 2.3 people by 1990.

Net outmigration is the cause of Emery County's population decline. During the 1980s the population increased by 2,370 based upon natural increases (births minus deaths). But, this natural increase was off-set by the outmigration of 3,489 individuals. This resulted in a net population decline of 1,119 people.

Population estimates for 1991 indicate this population decline is continuing. Population is estimated to have declined by an additional 1 percent for the year. Long-term population estimates show a different picture. By the turn of the century, the county's population is projected to increase by approximately 200 people.

Of the three major age cohorts, only the "65 year and over" category's grew above the 1980 Census figure, with a 4.7 percent increase. The "18 to 64 years" cohort declined by 12.3 percent, and the "under 18" cohort dropped by 9 percent. Thus, the county's median age increased from 22.3 years in 1980, to 25.4 years in 1990.

The county's racial makeup is overwhelmingly white. Whites constitute 98 percent of the population, while the State total is 94 percent.

Unemployment

High unemployment rates have remained a persistent problem in Emery County starting in the 1982 recession, the county's unemployment rate jumped into the 17 percent range. It declined to the 13 percent range in the middle of the decade, and then reached another peak of around 15 percent in 1987. Since then the unemployment rate has fallen into single digits, but still remains persistently high.

The high unemployment rates are the result of events in the coal mining industry which in many ways dominates the county's economy. Mining employment fell on lean times during the 1980s. And, these lean times appear to be continuing into the 1990s. In fact, the mining industry is no longer the largest industry in the county, but it still employs a large percentage of the work force, and the volatility experienced by this industry will keep the county's unemployment rate high for some time to come.

In 1991, the county's unemployment rate climbed to 9.5 percent, up from 8.0 percent the year before—a 1.5 percentage point increase. The United States economy during this period experienced a 1.2 percent increase in unemployment. Utah's rate, on the other hand, climbed by 0.4 percent, and remained noticeably lower than the national average. The reason that Emery County's unemployment trend is closer to the national trend than the Utah trend is again attributed to the coal mining industry. This industry is more susceptible to national markets, and therefore effects on the national economy have more of an impact on Emery County than to events in the State as a whole.

Nonagricultural Employment

The number of nonfarm jobs in Emery County dropped by 5.2 percent between 1990 and 1991. This translates into a loss of nearly 200 jobs. This marked the second year in a row in which nonagricultural employment declined. During this 1990-1991 time period, Utah's nonfarm employment increased by 3 percent, and the U.S. nonfarm employment decreased by nearly 1 percent.

Emery County's employment picture has been quite erratic during the last ten years. It is not unusual for the county to experience large percentage employment increases in one year, only to be followed by large percentage decreases the next. Employment fluctuations were the most dramatic in the five year period following the 1982 recession, and have since become less severe. The State, as a whole, has experienced employment growth throughout the entire period. In fact, in the last ten years, nonfarm employment has increased by 33 percent in Utah, while in the same period Emery County's nonfarm employment has decreased by 33 percent.

The industrial base in Emery County has undergone a change recently. Mining had been the county's largest employment industry. In 1980, mining constituted 47 percent of the county's nonfarm employment. As late as 1990, mining's share of nonfarm employment had

dropped to 28 percent, but still employed the largest number of people. In 1991, however, all this changed. Mining employment dropped to 22 percent of the county's nonfarm employment, slipping behind government(25 percent) and transportation/communications/utilities (23 percent).

In terms of firm size and employment, 57 percent of the county's firms employ between zero and four employees, but account for only 9 percent of the county's jobs. At the other end of the spectrum, 3 percent of the county's firms employ over 250 workers and account for nearly 47 percent of the county's jobs. These large employers also pay the highest monthly wage.

The largest employer in the county is PacificCorp. Six of the top 15 employers are government entities, but mining, construction, and manufacturing also have representatives in the county's top 15 employers.

Personal Income

Total 1989 personal income for Emery County reached $109 million, an increase of 7.3 above 1988. In comparison, Utah's personal income rose 8.1 percent in the same period. In the five year period encompassing 1984 through 1989, Emery County's personal income rose 14.3 percent, while the State's total personal income rose 36 percent.

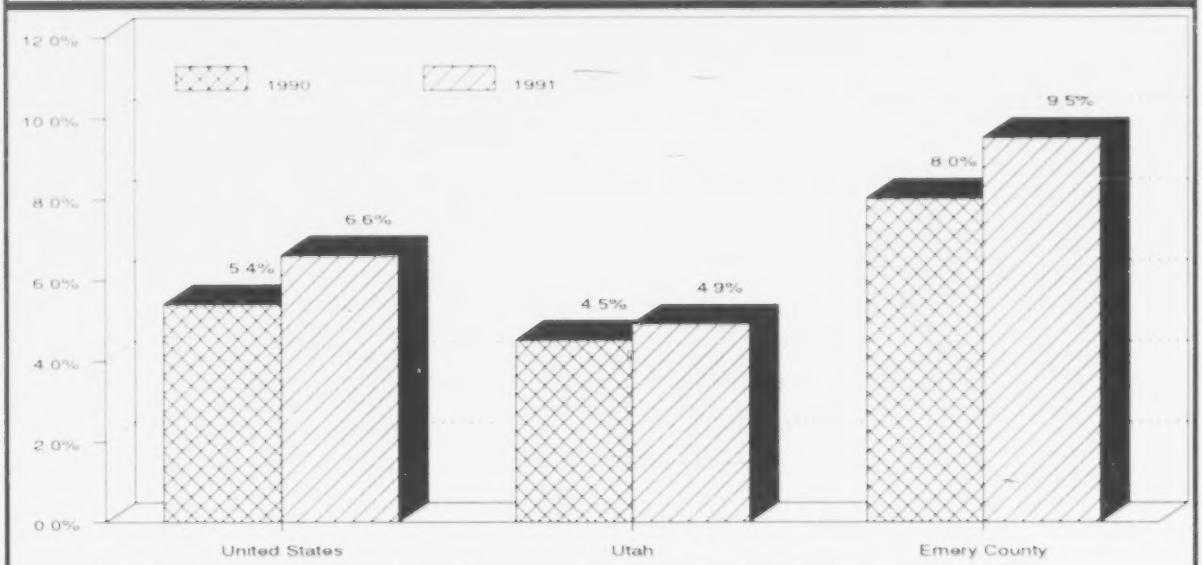
Per capita personal income is total personal income divided by the population. Emery County's per capita personal income in 1989 was $10,450, a 7.3 percent increase from the prior year. The State's per capital personal income was $13,104, rising 7 percent from the preceding year. In the 1984 through 1989 time period, Emery County's per capita personal income increased by 15.6 percent, while the State's per capital personal income rose 30 percent.

Emery County's sources of personal income as a whole are not much different from the State's. Throughout the Sate, 75 percent of all income is derived through incomes and wages at place of work. In Emery County, earnings from salaries and wages from people who live and work in the county approaches 74 percent.

Outside revenue sources are important to Emery County. Dividends, interest, and rents account for almost 10 percent of Emery County resident's income, while it accounts for 14 percent of the State's. Transfer payments, on the other hand, account for 17 percent of Emery's income, while just 14 percent for the State.

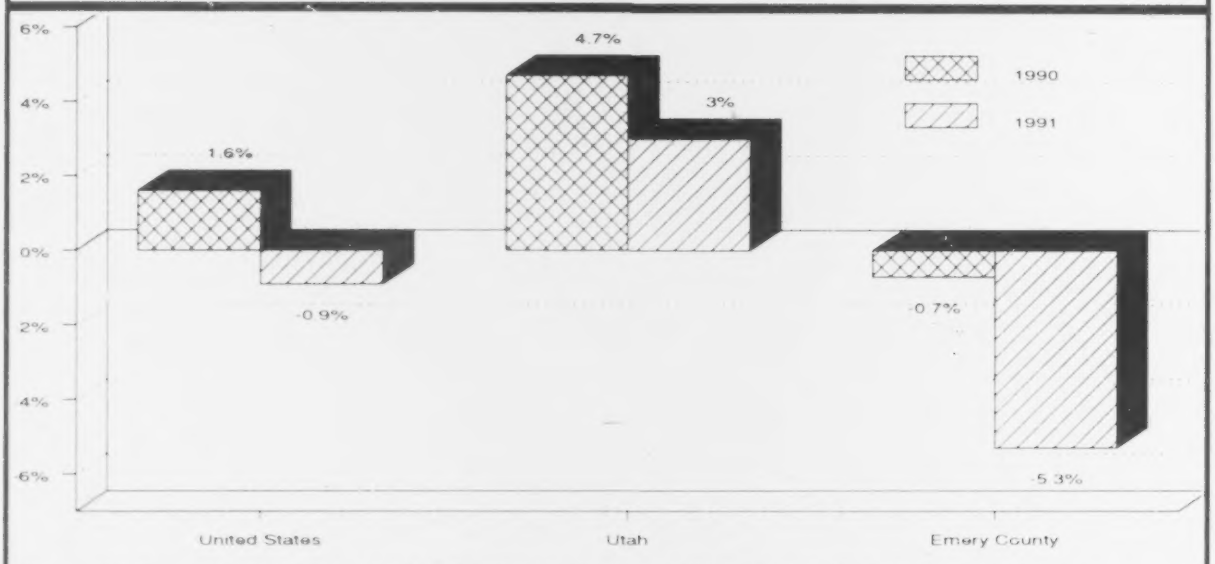
Breaking down the roughly 75 percent of Emery County's income that is place-of-work derived into earnings by industry, mining (as expected) is a much more important income source to the county than the State as a whole. Other industries that are key income sources to the county include transportation/communications/utilities, construction, and farming. All

Annual Average Unemployment Rates



Source: U.S. Bureau of Labor Statistics and Utah Department of Employment Statistics, Labor Market Information Services.

Percent Change in Nonfarm Jobs



Source: U.S. Bureau of Labor Statistics and Utah Department of Employment Statistics, Labor Market Information Services

other industries are a more important revenue source within the State than they are to Emery County.

Wages

Emery County enjoys the highest average monthly wage of any county in the State. The average of $2,273 per month outdistanced the next closes counties of Box Elder and Tooele. This average monthly wage is $563 higher than the State average monthly wage of $1,710. Emery County's average monthly wages for the last decade have been at or near the top when comparing counties to the State average. In 1982, Emery County's average wage reached its apex compared to the State by being 161 percent of the state average. As of 1991, this percentage had dropped to 133 percent of the state average.

The dominance of mining and transportation/communications/utilities as key employers is the main reason behind this high average monthly wage. Both of these sectors pay high wages. Construction is another sector with relatively high monthly wages, although they have slipped dramatically during the last decade.

Wages in other sectors offer a striking contrast. Wages in all other sectors in Emery County are noticeably below the corresponding State average in those sectors. What helps the County in this respect is that, other than government, employment levels in these other industrial categories are relatively small.

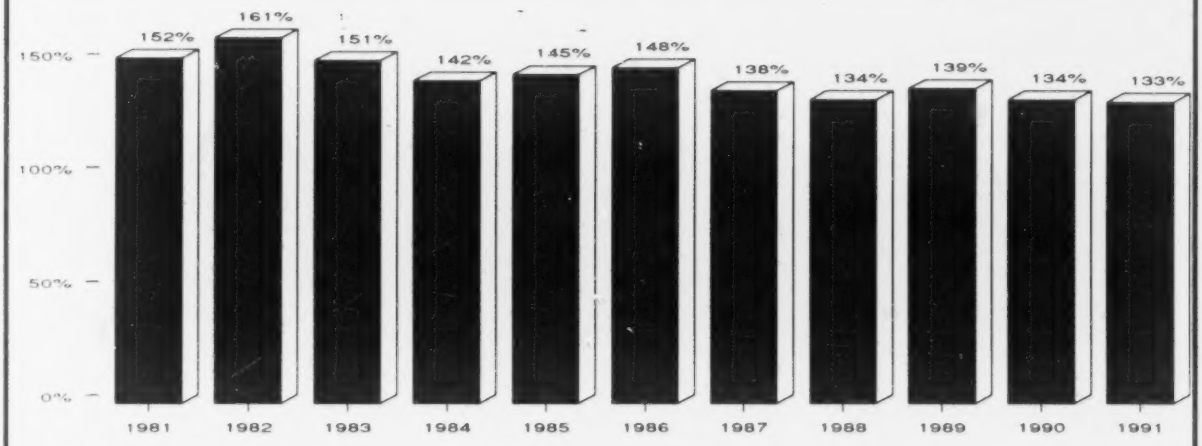
Purchasing Power

Purchasing power is, in effect, a measure of how income levels compare with the effects of inflation over time. One way of measuring purchasing power is to contrast the change in wages over time with the change in inflation. Over a period of time, the effects of inflation are removed from the actual wage levels, and the remaining income is compared with the original income to measure the real change in wages.

In Emery County over the past ten years, there has been a general eroding of purchasing power. In 1981, average monthly wages were $1,872, and $1,872 worth of goods and services could be purchased. In 1991, the average monthly wages was $2,273. On the surface, it appears that wages are higher than in 1981 and that more goods and services could be purchased. However, factoring out inflation using (and using a base year of 1981), shows that in 1991 the average wage bought only $1,515 worth of goods and services as compared to the $1,872 worth that one could purchase in 1981.

However, not all wages have been outpaced by inflation. Workers in the transportation/communications/utilities sector have seen their purchasing power during the last decade increase by almost 7 percent. Mining employee's purchasing power has jumped by 3 percent, with finance/insurance/real estate and government employees also enjoying overall gains of 6 percent and 1 percent respectively.

Emery County Average Annual Pay as a Percent of Utah



Source: Utah Department of Employment Statistics, Labor Market Information Services.

Gross Taxable Sales

Direct gross taxable sales in Emery County, as of the third quarter of 1991, were down by 24 percent compared with 1990's third quarter. This puts total third quarter tax revenue at $13.9 million. Direct gross taxable sales for the second and first quarter were both down approximately 5 percent, so outside of a large increase in 1991's fourth quarter, it appears that 1991 direct gross taxable sales will be below the 1990 level.

Since 1980, gross taxable sales in Emery County have fluctuated, but as a whole are in decline. Sales reached a peak in 1982 but fell victim to the 1982-83 national recession, and then again to Utah's economic decline in 1987. In 1980, gross taxable sales were $69.8 million. By 1990, this total had fallen to $61 million. When adjusting for inflation, 1990's $61 million in sales is equal to only $38.5 million in sales in 1980. This is a decline in real taxable sales of $31.3 million, or 44.8 percent. These types of declines put additional pressure on government officials to allocate resources from dwindling revenues. Tax revenues for the past three years have increased in real terms, but as the revenues from the three available quarters of 1991 suggest, this may have ended last year.

Tourist room rents have also followed the overall taxable sales pattern just alluded to. Sales rose in 1982 and 1983 only to start a downward trend which bottomed out at 41 percent less revenues in 1988. Since then, revenues have slowly begun creeping upward.

Housing and Construction

The 1990 Census provides valuable information concerning housing characteristics. In 1990, there were 3,928 total housing units in Emery County. Of this total, 2,998 were occupied year-round, with 82 percent of this total being owner occupied, the remaining 18 percent being renter occupied. There were 930 vacant housing units recorded in the Census with 218 of these for seasonal, recreational, or occasional use.

The 1990 median value of Emery County's homes was $48,500, nearly $20,000 lower than the State's median value of $68,900. Roughly 53 percent of the County's homes are in the "less than $50,000" range. In rental units, Emery County's median rent is lower than the State median, with the county's median rent at $209 per month while the State's median is $300 per month.

The amount of construction activity in the county, based upon approved construction permits, has been very lethargic in recent years. There was a flurry of residential construction activity in the early 80s, but since then activity has dropped off considerably. In the past six years, 1987 was the most active in terms of new residential construction, with the approval of seven new homes. In 1990, there were no new homes authorized, and new nonresidential construction was virtually nonexistent. In 1991, there was only one new home authorized for construction (in Ferron), and the value of nonresidential construction remained low. ❐

Mark S. Knold
Labor Market Economist

ACCRA Composite Cost-of-Living Comparisons for Selected Metropolitan Areas—FIRST QUARTER 1992

Component Weights:	100% All Items	13% Groceries	28% Housing	9% Utilities	10% Transption	5% Hlth Care	35% Misc
U.S. Average	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**
Salt Lake City UT	95.1	105.3	84.4	91.2	100.4	100.5	98.5
Cedar City UT (Nonmetro)	90.1	106.5	79.3	82.6	96.5	92.8	92.5
Provo-Orem UT	NA	NA	NA	NA	NA	NA	NA
St George UT (Nonmetro)	98.8	102.2	103.7	80.9	104.0	100.9	96.4
Western States							
Phoenix AZ	100.5	100.0	92.6	100.1	105.8	117.0	102.9
Los Angeles CA	132.6	107.7	185.3	80.0	119.6	136.5	116.4
Denver CO	100.6	97.4	106.2	96.4	99.8	117.9	96.1
Boise ID	100.4	94.6	108.3	75.6	94.6	111.0	102.7
Las Vegas NV	103.5	96.4	116.3	83.5	107.9	112.3	98.5
Sanata Fe NM	107.3	98.2	133.4	84.9	102.3	103.3	97.7
Portland OR	109.0	97.4	129.6	70.8	112.6	120.9	103.8
Seattle WA	117.6	107.6	150.9	61.7	107.8	144.2	108.1
Casper WY	102.1	100.8	103.2	93.3	100.0	98.3	105.1
Other Areas							
Anchorage AK	131.0	132.1	141.1	98.5	106.9	178.5	131.1
Atlanta GA	99.7	97.7	97.8	111.7	97.2	118.9	96.9
Kansas City MO	95.0	91.7	94.4	89.5	96.0	99.8	97.1
New York NY	219.1	141.4	394.2	196.1	127.9	209.9	141.1
Houston TX	98.6	101.4	91.7	99.1	118.4	104.7	97.3
***Highest City**	Washington DC/MD/VA 134.4	Baltimore MD 136.0	LA Long Beach CA 185.3	Philadelphia PA 184.4	San Diego CA 128.5	Tacoma WA 146.3	LA Long Beach CA 116.4
***Lowest City**	Pueblo CO 86.0	Wichita KS 84.8	Ft. Smith AR 70.7	Tacoma WA 58.9	Pueblo CO 83.2	Fayetteville AR 74.9	Ft. Wayne IN 86.6

*Does not include cities in Alaska or New York
Source: American Chamber of Commerce Researchers Association

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The following data and/or publications are now available:

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Utah Labor Market Report

Floyd G. Astin, Administrator

William R. Horner, Director, Labor Market Information Services

Lecia Parks Langston, Chief Economist

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Notes

(f)—forecast.

(p)—preliminary.

(r)—revised.

Salt Lake/Ogden Metropolitan Statistical Area (MSA)—Salt Lake, Davis, and Weber counties.

Provo/Orem Metropolitan Statistical Area (MSA)—Utah County.

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